

May 5, 2005

Mr. David A. Christian  
Sr. Vice President and Chief Nuclear Officer  
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SUBJECT: MILLSTONE POWER STATION, UNIT NOS. 2 AND 3 - AUDIT OF  
DOMINION NUCLEAR CONNECTICUT, INC'S MANAGEMENT OF  
REGULATORY COMMITMENTS (TAC NOS. MC4473 AND MC4474)

Dear Mr. Christian:

On May 27, 2003, the Office of Nuclear Reactor Regulation Office Instruction LIC-105, "Managing Regulatory Commitments Made by Licensees to the NRC [Nuclear Regulatory Commission]," was published. LIC-105, which is publicly available electronically from the Agencywide Documents Access and Management Systems (ADAMS) Public Electronic Reading Room on the Internet at the NRC web site (Accession Number ML022750041), provides the NRC staff and its stakeholders with a common reference for handling regulatory commitments made to the NRC staff by licensees for commercial nuclear reactors. The guidance is consistent with the industry guidance prepared by the Nuclear Energy Institute (NEI), NEI 99-04, "Guidance for Managing NRC Commitment Changes." LIC-105 specifies that once every 3 years, the NRC staff will audit a licensee's commitment management program.

An audit of the Dominion Nuclear Connecticut, Inc. (licensee) commitment management program was performed at the Millstone site in Waterford, Connecticut on October 7, 2004. The NRC staff concludes that, based on the audit (1) the licensee has an adequate program to implement and manage regulatory commitments, or to track for future implementation of regulatory commitments, and (2) the licensee has an adequate program to implement and manage regulatory commitment changes. Details of the audit are set forth in the enclosed audit report.

Sincerely,

/RA/

Victor Nerses, Senior Project Manager, Section 2  
Project Directorate I  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-336 and 50-423

Enclosure: As stated

cc w/encl: See next page

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AUDIT REPORT BY THE OFFICE OF NUCLEAR REACTOR REGULATION

REGULATORY COMMITMENTS MADE BY THE LICENSEE TO

THE NUCLEAR REGULATORY COMMISSION

MILLSTONE POWER STATION UNIT NOS. 2 AND 3

DOCKET NOS. 50-336 AND 50-423

1.0 INTRODUCTION AND BACKGROUND

On May 27, 2003, the Nuclear Regulatory Commission (NRC), Office of Nuclear Reactor Regulation (NRR), published Office Instruction LIC-105, "Managing Regulatory Commitments Made by Licensees to the NRC." LIC-105, which is publicly available electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC web site (Accession Number ML022750041), provides the NRC staff and its stakeholders with a common reference for handling regulatory commitments made by licensees for commercial nuclear reactors to the NRC staff. The guidance is consistent with the industry guidance prepared by the Nuclear Energy Institute (NEI), NEI 99-04, "Guidance for Managing NRC Commitment Changes."

According to LIC-105, which cites the definition from NEI-99-04, a "regulatory commitment" is an explicit statement to take a specific action agreed to, or volunteered, by a licensee and submitted in writing on the docket to the NRC. LIC-105 further directs the NRR Project Manager to "audit a licensee's commitment management program by assessing the adequacy of the licensee's implementation of a sample of commitments made to the NRC in past licensing actions (amendments, reliefs, exemptions, etc.) and activities (bulletins, generic letters, etc.)." The audit is to be performed every 3 years.

2.0 AUDIT PROCEDURE AND RESULTS

Since no such audit was performed before issuance of LIC-105, the NRC staff defined the period covered by this audit to go back approximately 4 years from the date of the audit. The audit of the Dominion Nuclear Connecticut, Inc. (licensee) program was performed at the Millstone Power Station, Unit Nos. 2 and 3 (MPS) in Waterford, Connecticut on October 7, 2004. The NRC staff dealt mainly with the Regulatory Affairs Department, which has a key role in the administration of the licensee's Regulatory Commitment Program.

2.1 Verification of Licensee's Implementation of NRC Commitments

The primary focus of this part of the audit is to confirm that the licensee has implemented those commitments made to the NRC as part of past licensing actions/activities. For commitments that had not yet been implemented, the NRC staff aimed to ascertain that they have been captured in an effective program for future implementation.

Enclosure

### 2.1.1 Audit Scope

Before the audit, the NRC staff searched the licensee's licensing action and licensing activity submittals dated in the last 4 years. Some of these submittals contain regulatory commitments. The NRC staff found a number of commitments that met the definition in LIC-105. The attached table lists the sample of the licensee's commitments that were selected for this audit. The licensee's commitments are implemented through their Station Administrative Procedure, MP-03-LBM-SAP06, "Regulatory Commitment Management Program Implementation".

LIC-105 limits the audit of commitments to those made in writing to the NRC as a result of past licensing actions (amendments, exemptions, etc.) or licensing activities (bulletins, generic letters, etc.). Accordingly, the audit excluded the following types of commitments:

- (1) Commitments as a result of Licensee Event Reports (LER)s - These commitments are controlled by the licensee's LER process, which is imposed by Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.73.
- (2) Commitments made on the licensee's own initiative among internal organizational components.
- (3) Commitments that pertain to milestones of licensing actions/activities (e.g., respond to an NRC request for additional information by a certain date). Fulfillment of these commitments was indicated by the fact that the subject licensing action/activity was completed.
- (4) Commitments made as an internal reminder to take actions to comply with existing regulatory requirements such as regulations, Technical Specifications, and Updated Final Safety Analysis Reports. Fulfillment of these commitments was indicated by the licensee having taken timely action in accordance with the subject requirements.

### 2.1.2 Audit Results

The NRC staff reviewed reports generated by the licensee's tracking program for the commitments listed in the attached table to evaluate the status of completion. The NRC staff found that the licensee's commitment tracking program had incorporated all the regulatory commitments that were selected by the NRC staff for this audit.

The NRC staff also reviewed plant procedures that had been revised as a result of commitments made by the licensee to the NRC. The NRC staff noted that some of the revised procedures have annotations to refer to commitments. These annotations would serve to prevent future procedure writers from inadvertently deleting or altering an item without having gone through the commitment change process.

The attached table summarizes what the NRC staff observed as the current status of licensee regulatory commitments for those selected

## 2.2 Verification of the Licensee's Program for Managing NRC Commitment Changes

The licensee's document entitled "License Basis Management Program" (MP-03-LBM-PRG, Rev. 002-01), is a manual that applies to work and operational activities that initiate, receive, implement, generate or change commitments at the MPS. The manual also applies to common station areas, common station processes, organizations and functions. In Section 4.2 of the manual, it specifically states that NEI 99-04, dated July 1999, "Guidelines for Managing NRC Commitment Changes" is applicable to the program, its implementing procedures and guidelines as described in Section 5 of the manual. In Section 5, "commitments" is specifically identified. Further, the NRC staff reviewed the licensee's procedure entitled "Commitment Change Request" (MP-03-LBM-SAP06-001, Rev. 001) against NEI 99-04 and found that MP-03-LBM-SAP06-001 uses the NEI guidelines with regard to managing a change or deviation from a previously completed commitment. In fact, the licensee's procedure appears nearly identical in format to the NEI procedure. It sets forth the need for identifying, tracking, and reporting commitments, and it provides a mechanism for changing commitments.

As set forth in Section 2.1 above, the NRC staff found that the licensee had properly addressed each regulatory commitment selected for this audit. As a result of the review of the licensee's information, the NRC staff found no reason to differ from the licensee's reported status of the audited commitments. Thus, the NRC staff surmises that the procedure used by the licensee to manage commitments is appropriate and effective.

## 2.3 Additional Observation

The NRC staff requested information of the Regulatory Command Program regarding what self-assessments have been performed. The NRC staff learned that the licensee's Oversight Group could not find any record of having performed an assessment. However, the NRC staff learned that the Regulatory Affairs Department performed a self-assessment five years ago. However, the assessment performed five years ago was prior to the major changes made to the current program and, therefore, may not be representative.

The licensee should consider incorporating a periodic assessment of the Regulatory Command Program to assess the program effectiveness in meeting its objectives.

## 3.0 CONCLUSION

The NRC staff concludes that, based on the above audit findings, (1) the licensee had implemented or is tracking for future implementation regulatory commitments; and (2) the licensee had implemented an effective program to manage regulatory commitment changes.

4.0 LICENSEE PERSONNEL CONTACTED FOR THIS AUDIT

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Date: May 5, 2005

TABLE - LICENSEE'S REGULATORY COMMITMENTS

<b>Dominion Nuclear Connecticut, Inc. (Licensee) Submitted</b>	<b>Licensee Commitment Tracking No.</b>	<b>Description</b>	<b>Licensee Implementation Status</b>
02/01/01	RCR 42885	Establish criteria for monitoring in-leakage rate in the sump by adding a Technical Requirement to the MP3 Technical Requirements Manual	Completed
02/01/01	RCR 42886	Establish a calibration schedule for the level indication and alarm instrument loops prior to entering Mode 4 of refueling outage 3R07	Completed
02/08/01	RCR 42887	Incorporate the final 10 CFR 50.59 rule into implementing procedures	Completed
07/31/01	RCR 42888	Incorporate in the Chemistry Department implementing procedures contingency plans for obtaining and analyzing highly radioactive samples of reactor coolant, the containment sump, and the containment atmosphere	Completed
07/31/01	RCR 42889	Incorporate in the Emergency Plan implementing procedures the capability for classifying fuel damage events at the Alert level threshold	Completed
07/31/01	RCR 42890	Incorporate in the Emergency Plan implementing procedures the capability to monitor radioactive iodines that have been released to offsite environs	Completed
12/04/01	RCR 42895	Perform RTCB trip torque testing. Due: 9th refueling outage	Completed
12/04/01	RCR 42896	Revise nine year RTCB overhaul procedure to specifically require the the Mobilgrease 28 be completely replaced. Due: December 31, 2001	Completed
04/02/02	RCR 42897	Millstone Unit No. 3 will perform a bare metal visual inspection under the insulation. Due: During the 9th refueling outage	Completed
04/02/02	RCR 42898	In support of the bare head visual examination, Millstone Unit No. 3 will do an analysis that demonstrates that a through-wall leak in a penetration nozzle would be detected by this visual inspection. Due: Prior to the next refueling outage.	Completed
07/03/02	RCR 42899	DNC will install a fixed fire suppression system in the CSA. Due: Prior to startup from refueling outage nine	Completed

<b>Dominion Nuclear Connecticut, Inc. (Licensee) Submitted</b>	<b>Licensee Commitment Tracking No.</b>	<b>Description</b>	<b>Licensee Implementation Status</b>
09/06/02	RCR 42902	DNC will be providing supplemental information for addressing the GL 96-06 Water hammer issue using the methodology included in EPRI Report TR-1135943. Due: June 15, 2003	Completed
12/13/02	RCR 42904	Operating experience will be reviewed during the annual review required by 10 CFR 54.21 (b) to identify plant-specific concerns with regard to age-related degradation. Due: December 31, 2005	Completed
07/01/03	RCR 42905	DNC hereby commits to submit a license amendment request to reflect two channels of control room isolation actuation instrumentation. Due: date by July 31, 2004.	Completed
08/07/03	RCR 42906	Dominion will implement the EOP revisions and training before March 31, 2004.	Completed
08/11/03	RCR 42908	Submit Generic Letter 2003-01 requested information for Millstone Units 2 and 3.	Completed
11/17/03	RCR 42909	A bare-metal visual examination of the 58 bottom-mounted instrumentation penetration nozzles will be performed during the currently scheduled Millstone Unit 3 Spring 2004 refueling outage as described in Attachment 2 [of DNC letter B19000 and Serial No. 03-459A].	Completed
11/17/03	RCR 42910	A 360-degree bare-metal visual examination of the bottom-mounted instrumentation penetration nozzles will be performed during subsequent refueling outages for Millstone Unit 3. These schedules may be adjusted in the future should ongoing research and inspection results justify a less frequent performance-based sample inspection schedule.	Completed
06/01/04	RCR 42912	Provide the MPS 3 control room tracer gas test results and delineate plan and schedule for any proposed changes to the MPS 3 Technical Specifications to verify the integrity of the Control Room Habitability Envelope and the maximum assumed unfiltered in-leakage rates by August 31, 2004	Completed
09/23/04	RCR 42914	Permanent Code repairs for the service water system brazed joint flaws in the safety injection pump cooler 3CCA will be performed by the next cold shutdown of greater than 30 days or the 10th refueling outage ,whichever comes first.	Completed



Millstone Power Station, Unit Nos. 2 and 3

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